

Irish Examiner ICMSA farming survey

Thursday, September 26, 2013

Irish Examiner

www.irishexaminer.com/farming

Your
special
8-page
survey
findings

LOOKING GOOD

Survey reveals positivity, progress and hard work

Fewer farmers, but more progressive and optimistic



They constitute only 7.4% of the population, but they are more upbeat than 'civilians' about the economy and a third of them are planning to buy or rent additional land, while a negligible number plan to leave the industry, says market researcher **LARRY RYAN**

THE findings from the *Irish Examiner* ICMSA farming survey highlight the buoyancy of the sector, and illustrate how farmers have changed.

Market researchers in Ireland take a special interest in farmers. Ireland remains the only country in which farmers have their own class F to go with ABC1 and C2, D and E social classes.

Social grade F consisted of 15% of the population 20 years ago — but now makes up just 7.4%.

For this survey, we interviewed

farmers at agricultural shows, using a random sampling. Farmers are expensive and difficult to interview in person, and less guarded in a face-to-face interview than they are by phone.

Thus, we sent our interviewers to locations as diverse as Cappamore, Tullamore, Tinahealy, Dungarvan, Skibbereen and Athenry.

We wanted to ensure that the study was both robust and representative of the farming community, as well as considered

and in-depth.

We didn't just confine interviewing to farmers, but also interviewed other adults who live on farms.

In the main, these were farmers' spouses, the vast majority of whom also work on the farm.

The first point of note is the optimism of farmers, with four out of five broadly positive, and a similar number feeling equally good about their own farm enterprise. This is reflected across dairy, livestock and tillage.

It is encouraging that more than a third of farmers would like to either buy or 'rent in' land, and a quarter anticipate that they will do so in the next five years.

Conversely, very few aim to exit farming or to reduce the size of their holdings.

Similar optimism is not shared so widely by the rest of the community.

Consumer confidence may be rising, but much of the rest of society is more guarded than farmers about Ireland's short-to medium-term prospects.

Farmers have been forced to make cutbacks in recent years, but the scale of their cutbacks seems less pronounced than is apparent among other groups in society.

Large purchases have been postponed by 57% of farmers, in comparison with 72% of the adult population.

About a quarter of farmers are eating-out less, and a fifth are going to the pub less.

By contrast, two thirds of adults in Ireland say they are socialising out of the home less often.

In the *Irish Examiner* ICMSA farming survey, 21% of farmers have not taken a family holiday this year: this compares with 46% of the adult population.

Likewise, fewer farmers have cut their health insurance, or decided to take a car off the road.

The incidences in the general

population are 12% for either, but just 8% and 5%, respectively, among farmers.

Nevertheless, it is striking that farmers have similar issues and concerns as the generality of the population, when asked about their political priorities.

Agricultural policies would influence the vote of six in 10, but the cost of living, unemployment and austerity or debt, as well as emigration and health-care costs, are all significant priorities, too.

Farmers have become much less 'single issue' in their focus. Like many others, through the recession, they are seeing problems now from multi-perspectives: as parents, as consumers, and as service users, rather than

“Four out of five are broadly positive about the economy and their own farm enterprise”

just as farmers.

At a political level, farmers retain the guarded perspective they often exhibit when queried about their party preferences: 31% say that they don't know how they would vote, while 37% would vote for Fine Gael and 18% for Fianna Fáil.

A substantial proportion of the farming vote has adopted a 'wait and see' perspective, and almost all such farmers voted for Fine Gael in the last instance.

Roughly a fifth of farmers voted for Fianna Fáil in the last election and the proportion committed to voting for them at present is just 18%.

Thus, Fianna Fáil appears to



Behaviour & Attitudes market research director Larry Ryan says the farming survey is optimistic about the sector, though half of farmers rely on a second income.

be down to its core support, whereas Fine Gael retains the lion's share of farmer interest, although as much as half of the previous Fine Gael vote claims to be undecided.

Despite this, the claimed level of satisfaction with the performance of Simon Coveney, as the Minister for Agriculture, seems particularly high, with 53% saying he is doing an excellent or good job, and just 14% believing his performance to be poor.

The *Irish Examiner* ICMSA survey illustrates a more progressive perspective on social issues than one might have traditionally attributed to farmers.

Sixty three percent agree that women are undervalued in Irish society, and a similar proportion say that abortion should be permitted when the life of the mother is at risk, up to and including suicide.

Concurrently, more than a third (37%) doubt that the Catholic Church is still the dominant force in Ireland, although the survey does illustrate that more than 7 in 10 farmers remain weekly mass-goers.

This compares with a national average, for mass attendance, of 42%.

Farmers are among the most adherent group, from a religious standpoint, but are more free-thinking, or challenging of Church orthodoxy, than might once have been the case.

Farmers share quite similar views to the generality of the pop-

ulation, but in some respects stand apart.

The vast majority agree that “we have too many politicians and that they are overpaid and ineffective”.

Similarly, there is universal ac-

ceptance that “not a single person will be jailed following the banking crisis”.

Like everyone else, farmers are disappointed by this, and by the perceived inadequacy of action by the DPP and others.

However, in the context of the right to bear arms to protect themselves and their property, the vast majority, more than four in five, agree that rural dwellers should be allowed to protect themselves and their property with firearms.

This, presumably, would be at odds with the general public, but

is probably more a reflection on the paucity of rural policing than on any manifest desire to shoot trespassers.

As an observer of social trends, I predominantly take from this survey a sense of posi-

tivity and optimism, but conditioned by the recognition that half of farmers rely on a second income, and most need to work very long hours to get the most from their holdings.

The average hours worked for all farmers is 48, but almost 56 hours a week among dairy farmers, or eight hours a day, seven days a week.

Few others would be content to work at this rate and, as a non-farmer, one could only be impressed by the industry and dedication that the survey illustrates.

■ Larry Ryan is a director of Behaviour & Attitudes, Ireland's leading independent market research agency.

21% of farmers have not taken a holiday: this compares with 46% outside the sector



Irish Examiner Farming editor Stephen Cadogan with ICMSA president John Comer at the second day of the National Ploughing Championships at Ratheniska, Stradbally, Co Laois.
Picture Dan Linehan

Younger farmers are plumping for dairy

Ray Ryan

INTERESTING age-related differences were revealed in the *Irish Examiner*/ICMSA farming survey, with older farmers preferring cattle production, and younger farmers more interested in dairying.

A total of 57% of those interviewed were principally in livestock/cattle, 22% were in dairying, 12% in tillage, 1% in poultry, and 7% in other enterprises (1% each in agri-tourism and horticulture). However, when secondary enterprises were also taken into account, 76% had livestock/cattle, 27% dairy, 18% tillage, 4% poultry, 1% agri-tourism, 1% horticulture, and 15% “other enterprises”.

The highest percentage of farmers in livestock and cattle were in the higher age bracket — 61% among those 65 years and over. Younger farmers were mostly engaged in dairying, with the highest number (32%) recorded in the 35-44 age category.

Respondents in this opinion poll were required to work or live on a farm.

The 570 farmers interviewed were 80% male and 20% female. The age breakdown was 13% under 35, 15% 35-44, 12% 45-49, 18% 50-54, 22% 55-64, and 19% 65 plus.

They were 12% single, 73% married, 2% cohabiting, 3% widowed, and 1% separated/divorced.

Nearly three quarters had no under-15 child at home.

The respondents were located 39% in Munster, 34% in Leinster, and 22% in Connacht or Ulster.

They were interviewed by Behaviour & Attitudes staff at six agricultural shows — Athenry, Co Galway, on Sunday, July 7, accounted for 18% of the sample; Skibbereen, Co Cork, on Thursday, Jul 18 (18%); Dungarvan, Co Waterford, on Thursday, Jul 25 (12%); Tinahealy, Co Wicklow, on Monday, Aug 5 (11%); Tullamore, Co Offaly, on Sunday, Aug 11 (28%); and Cappamore, Co Limerick, on Saturday, Aug 17 (12%).

The average farm size of respondents was 108 acres. One third were in the 50-100 acres category, 18% had up to 50 acres, and 28% farmed over 100 acres. The average number of livestock was 86.

Respondents were asked to classify their occupation; 82% personally work as farmers, 11% are farm spouses and work on the farm; 1% are farm spouses not working on the farm; 2% live on the farm but don't work there; and 5% are classed as farm worker or labourer.

Some 81% fell into the F50+ social grading which denotes farmers who own 50 or more acres, and 19% were in the F50- social grading as they own less than 50 acres.

Irish Examiner ICMSA farming survey

The Irish Examiner ICMSA farming survey was designed to provide a robust and accurate snapshot of the attitudes, beliefs and opinions of the farming community about a range of issues, both farming and social. The survey involved 570 interviews with farm dwelling adults in the Republic of Ireland.

The sample size is large and the data has a statistical margin of error of +/-3.5%.

The sampling approach involves a random probability method, with interviews being undertaken with attendees provided they worked and/or lived on a farm. 465 interviews were with farmers themselves and the balance mainly with spouses who also work on the family farm.

All data is copyrighted by the Irish Examiner and Behaviour & Attitudes and should be attributed to this source where quoted.

Fieldwork was completed by Behaviour & Attitudes over a five week period between July 7 and August 17, with interviewing undertaken on-site by Behaviour & Attitudes interviewers across six agricultural shows.

Copyright Behaviour & Attitudes and Irish Examiner September 2013



Irish Examiner

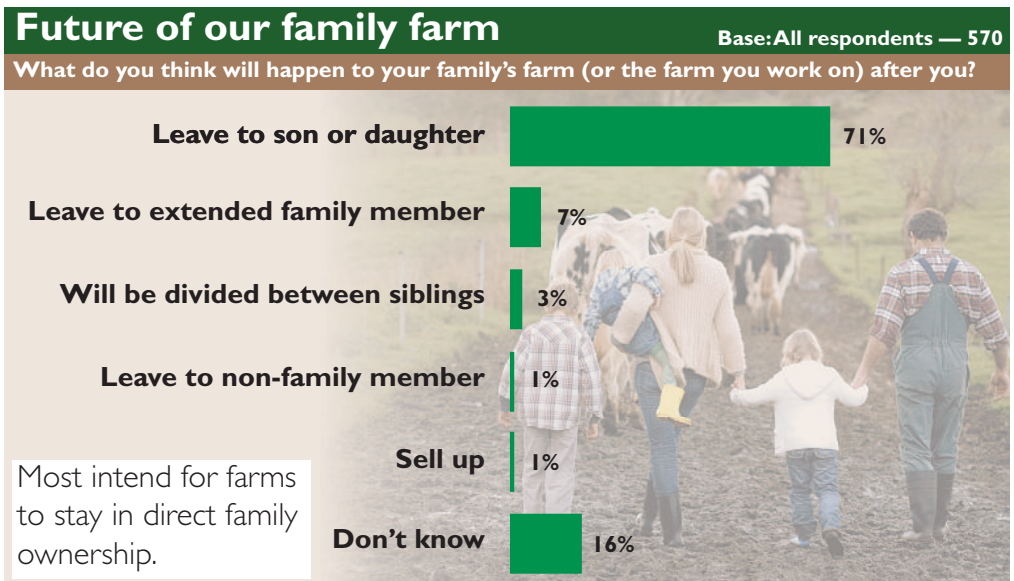
Poor mouth mantra loses out to optimism

FARMERS are optimistic at present despite the effects of the fodder crisis, rising input costs and the likely impact of the CAP reforms.

Ray Ryan

Levels of optimism are fairly even across tillage (87%), dairy (83%) and livestock (80%), with the least optimism being found in other types of farming (57%).

The positive outlook about the future of the industry in



general and in their own sectors contrasts with the pessimistic views often voiced by farmers in the past.

It would appear from those interviewed the traditional poor mouth attitude is being replaced with a more pragmatic analysis.

The finding that almost four-in-five farmers are optimistic about farming and their particular farm sector is also seen in what changes they anticipate in the future.

Most don't foresee significant change in their holdings, but a sizeable number would like to expand.

Over a third (34%) would like to buy or rent land; 25% said this was most likely to happen. This would, of course, result in larger farms. Another finding shows farmers want to at least hold on to what land they have.

Only 2% would like to sell land and just 1% believed this was most likely to happen. Only 3% of those queried would

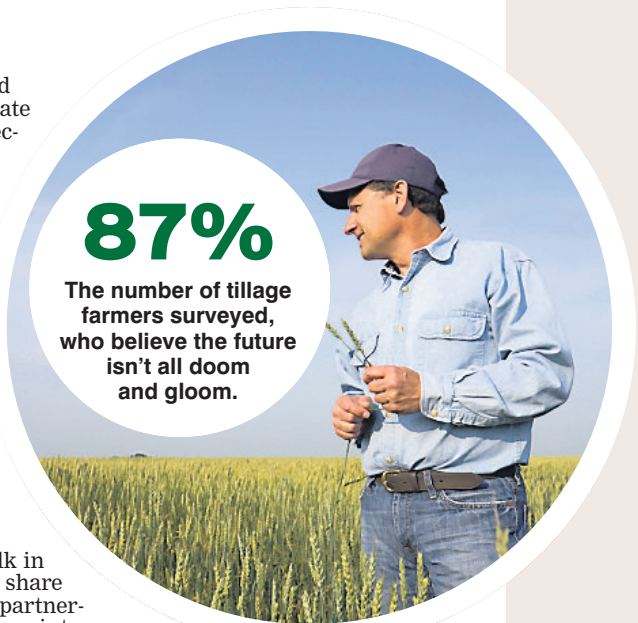
exit farming.

Between 54% and 63% do not anticipate any change, a reflection, perhaps, on barriers to farm restructuring, with European Union payments allowing many to "sit" on farms. In view of those barriers, the finding that 15% of farmers are likely to buy land is surprising, especially as only 1% of holdings change hands each year.

Despite much talk in recent years about share farming and farm partnership, only 2% of those interviewed were in favour, and just 1% thought it likely to happen in their cases.

Regarding the future of their farm, seven-in-10 (71%) would

hope to keep it in their immediate family. Only 1% would leave it to a non-family member, and only 1% would sell up.

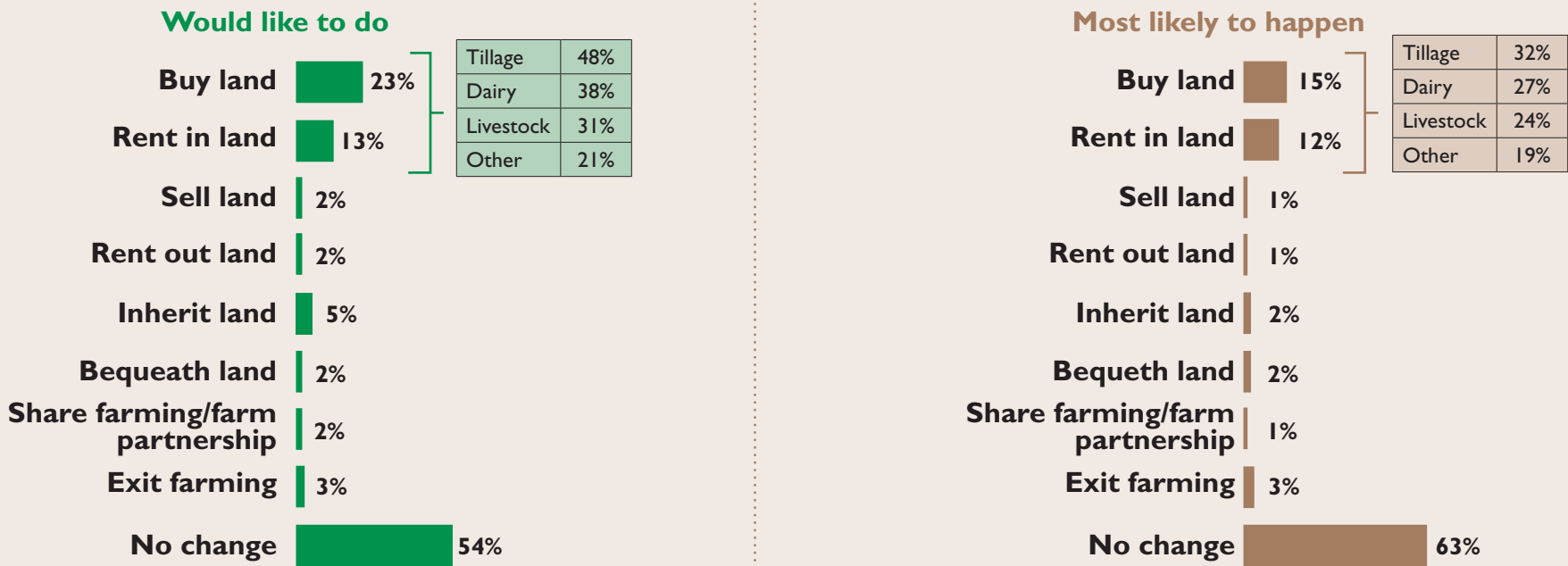


Anticipated changes

Base: All respondents — 570

1. Which of the following would you like to do in the future? Any others?

2. Which of these are you most likely to do in the next five years? (Factual)



Most don't foresee significant change in their holdings but a sizeable number would like to expand their farms.

Sector may be prospering, yet seven-in-10 rely on Single Farm Payment

Ray Ryan

The Single Farm Payment is the primary or secondary source of income for most of those surveyed.

Seven-in-10 of the respondents said they relied on the so-called cheque-in-the-post.

Farming is the greatest source of income for 61% of farmers, off-farm work or investments is 19%, the Single Farm Payment is 14%, and Social Welfare payments represent 4%.

However, a different set of different figures emerged, when farmers were asked to state their second greatest source of income.

A total of 56% said it was the Single Farm Payment, with 25% saying it is farming, and 9% identifying off-farm work or investments.

Direct payments are therefore vital for the economic well-being of thousands.

But importance of the SFP varied from 10% of dairy farmers to 18%-19% in "other" farm



The survey confirms fewer farmers' spouses work away from the home than in the average Irish family.

enterprises and the no off-farm income category.

Farming was the most important income source for 73% in the no off-farm income category, but only 34% in the "other" farm enterprises category (for whom social welfare was important in 9% of cases).

More than half (53%) of those surveyed revealed that they or their spouses have no off-farm income, a reflection perhaps on the slump in the general economy reducing off-farm work opportunities.

But 47% do have off-farm income — with 23% actually having another job, while 21% of farmers' spouses work off-farm.

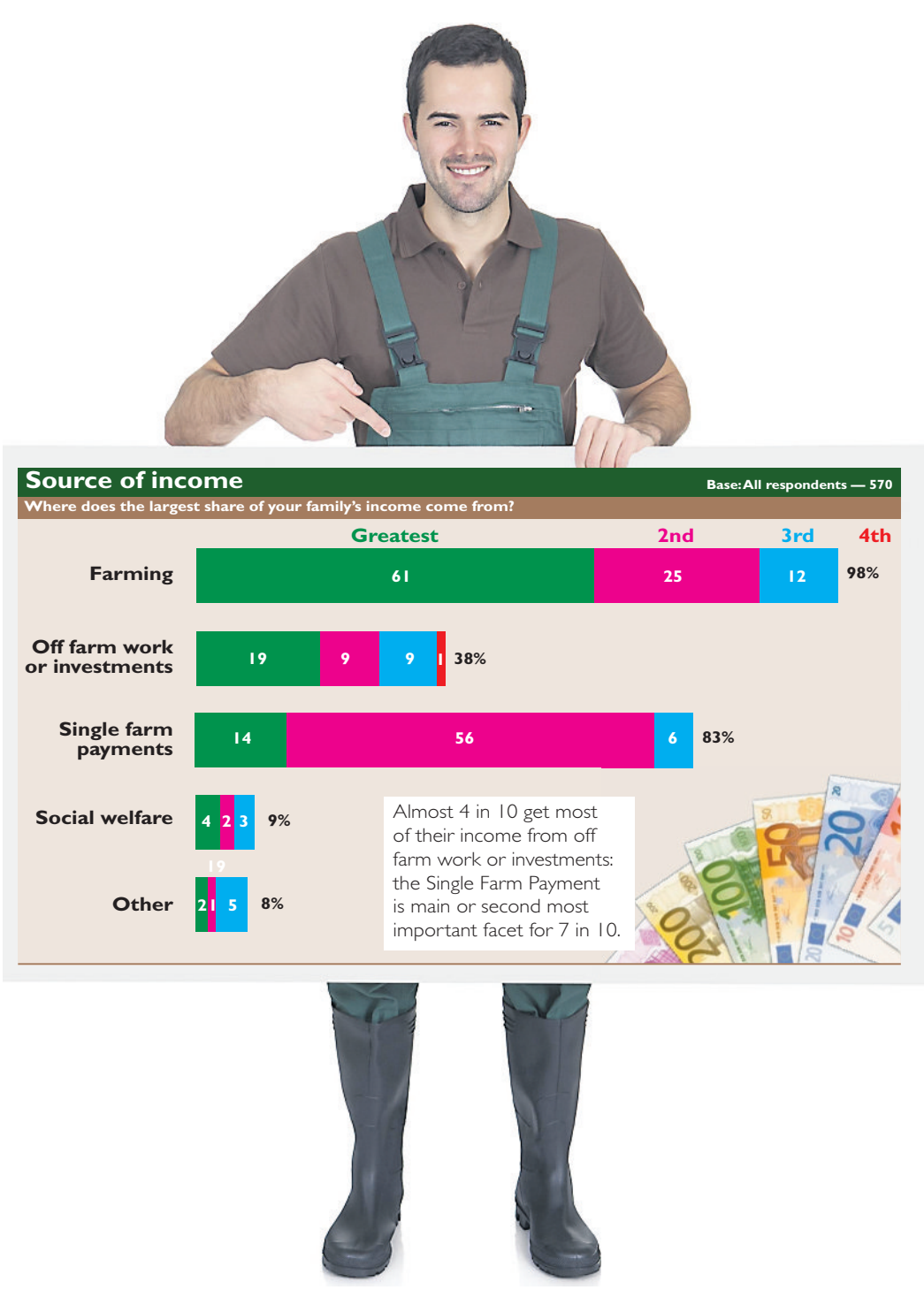
The findings confirm that fewer farmers' spouses work away from the home than in the average Irish family.

The breakdown of the number of farmers who have another job shows an interesting contrast between the various agricultural enterprises.

Not surprisingly, a mere 13% of dairy farmers have a second job, obviously due to the demands of twice daily milking and other work routines.

Cattle farmers (27%) and "others" (32%) have the highest numbers with an off-farm income, with those in tillage enterprises accounting for only 16%.

The greatest proportion of income for 61% of respondents comes from farming itself, and just a fifth indicate that they primarily survive on their off-farm work or investments. The Single Farm Payment is particularly important, regarded as a source of income by 83% of farmers and the primary or secondary source by 70%. Thus, many farmers are dependent upon support payments, notwithstanding the relative prosperity of the sector, and half still choose to maintain another occupation off the farm, maybe by choice but certainly to boost the family finances.



Vast majority of farmers indicate they are fairly happy with their lot

Ray Ryan

A whopping 79% would not change their life or occupation, if they had a second chance.

Only about one in 10 farmers would have preferred a path different to farming.

The vast majority is clearly happy with their lot — and that applies to both men and women.

Only 3% of spouses would not choose farming, according to these particular findings. They are in keeping with the overall optimistic outlook of respondents.

A massive 95% strongly agreed or agreed that Ireland is a great country in which to live.

However, most farmers are cutting back in the current economic climate, but, excluding 'large purchases', the cutbacks reported in farm households are low.

The largest percentage (57%) cut back relates to 'large purchases', followed by eating out (27%), going to the pub (21%), and family holidays (21%).

While 62% feel that agricultural policies are a key concern, many are also motivated by more everyday and general issues. These include cost of living (50%), unemployment (49%), austerity/debt (48%), and emigration (38%).

But perhaps the findings that say more than any other about the impact of the recession

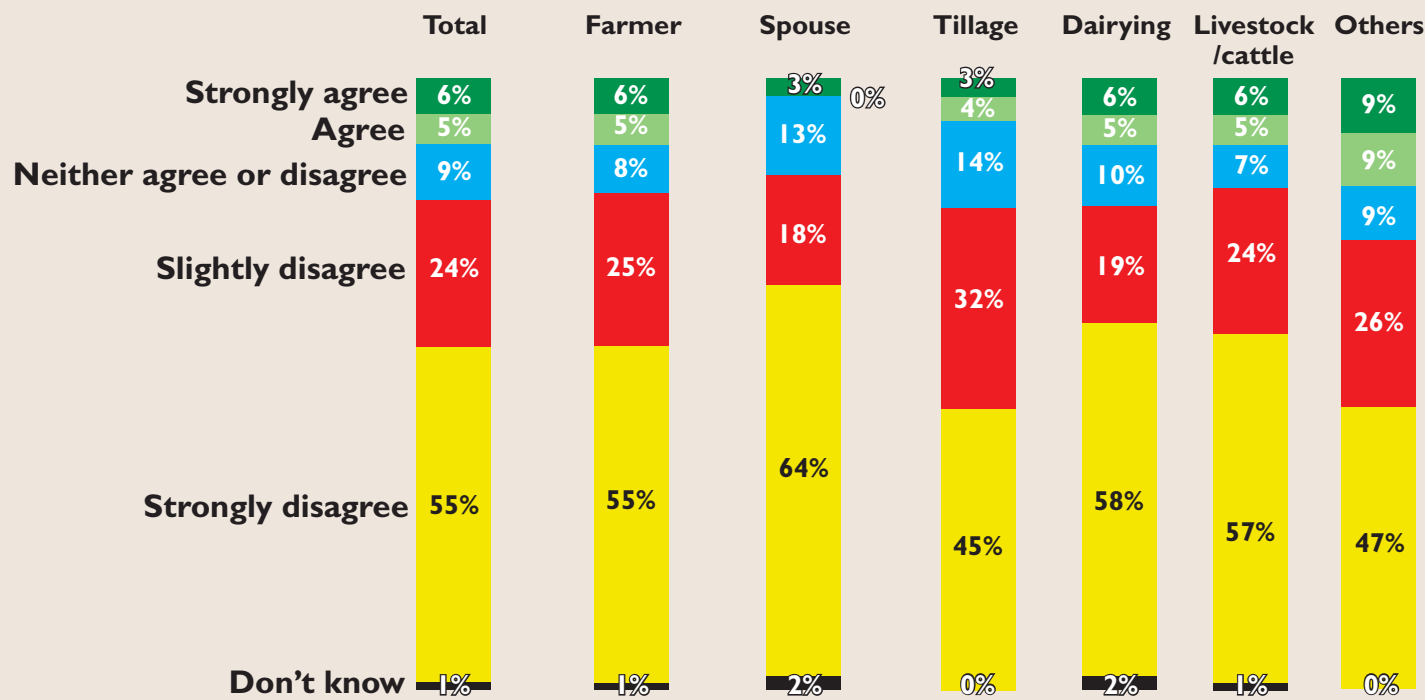
sion on farmers are that 8% of those surveyed have cut back on health insurance; but 19% made none of the 12 cutbacks suggested in the survey. Thirteen per cent say they had bought in less fertiliser, and 8% said they had bought in less fodder; in the previous 12 months.

Only about one in 10 farmers in our survey say they would have preferred to have taken a different path to farming.



If I had the time back again, I would not choose farming

Base: All respondents — 570



The vast majority are happy with their lot, about 1 in 10 would have preferred a different path.



Output growth has been high; but farmers predict there could be 17.5% extra by 2020.

Farmers' 'low' prediction for Food Harvest is reasonable

Ray Ryan

Farmers were told in the survey that the food industry plans to increase production by 33%, by 2020 (the Food Harvest 2020 plan).

They were asked what percentage would be achieved. The average prediction was

only 17.5%. However, this is an reasonable answer, by farmers, to what is a 'six-mark' question.

The huge Food Harvest 2020 plan has separate targets for 2008-2020 growth in the value of primary agricultural production (33%); exports (46%); and value-added (40%).

New figures, published recently in the

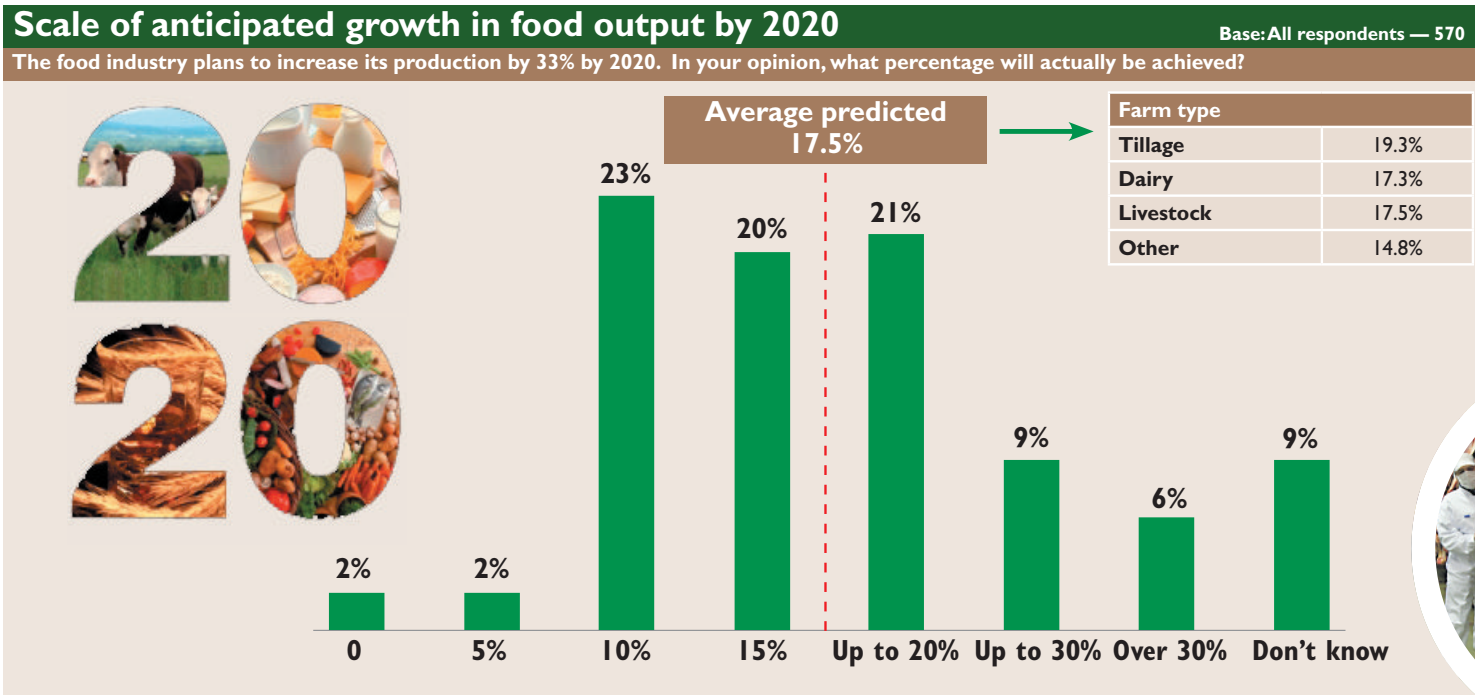
'Milestones for Success 2013' document, last week indicated that much of this progress has been achieved, when the 2012 figures are used. It quotes the latest Central Statistics Office figures to show increases of 25% (primary agricultural production), 13% (exports); and 20% (value-added).

That would leave, respectively, 8%, 33%, and 20% of progress needed to reach the 2020 targets. In this context, the average prediction from the respondents, of 17.5%, is a promising outcome for the food industry. For example, if applied to primary agricultural production, it implies a 9% over-achievement.



Simon Coveney: agri-food progress.

Launching the 'Milestones 2013' document, Agriculture Minister Simon Coveney said the agri-food sector has continued to make excellent progress, with the latest CSO figures for food and beverage exports showing a 7% rise in the first half of 2013, compared to the same period in 2012.



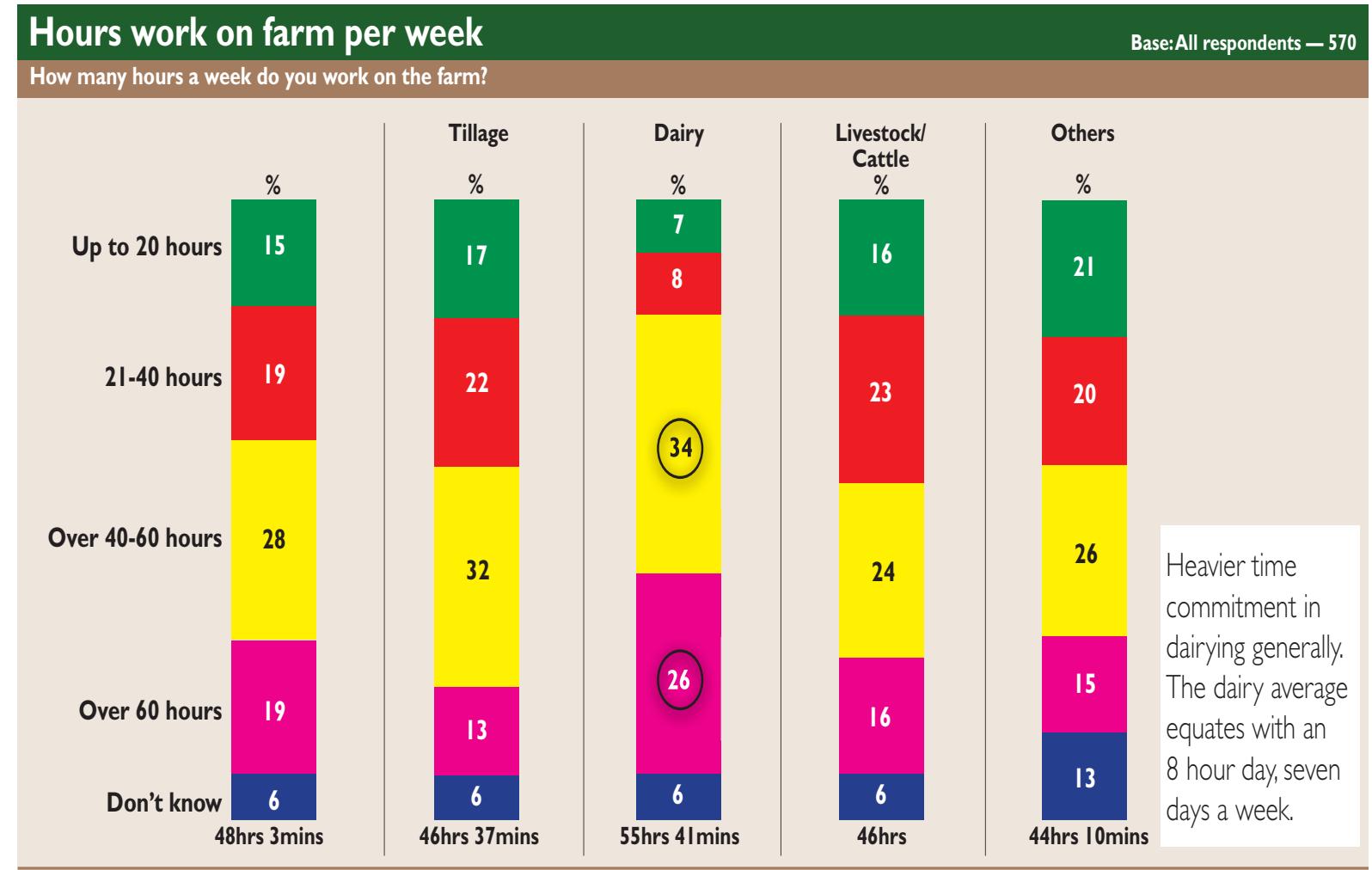
Working day for farmers longer than most

Ray Ryan

Farmers work an average of 48 hours a week, but as many as 55 hours on average in dairying. That is much higher than the average for workers in most other employment sectors.

Tillage and livestock farmers in comparison work an average of around 46 hours per week, and others 44 hours and 10 minutes.

All respondents were asked how many hours they worked on their farms. But with 23% of farmers also having off-farm jobs, and 21% of farmers' spouses having off-farm jobs, household work hours are likely to be much longer in many cases than the farm work average of 48 hours and three minutes each week.



It is known that part-time farmers in Ireland have typically worked about 80 hours per week. The extent of that may have been significantly reduced by the economic down-turn in the general economy and the loss of jobs.

Despite their heavy workload, Sunday lie-ins are not the rule, with 71% of farmers saying they attend mass weekly.

But there is division among farmers on the continuing influence of the Catholic Church, with 52% believing it is

strong, and 37% disagreeing.

Long working hours are not unique for Irish farmers.

In the US, the Forbes Magazine annual survey of The Best And Worst Jobs For 2013 ranks dairy farmer as the sixth worst,

because they have to work outdoors in all weather conditions, at all hours, with very large animals that step on their feet!

Larry Ryan is a director of independent market research agency Behaviour & Attitudes.

Farm credit refusals not as high as expected

Ray Ryan

Availability of credit for farmers from the financial institutions has been a controversial issue for several years. Some farmers have complained that they have been unable to secure finance to help them over lean periods.

This was especially so during periods of wet weather when their input costs rose, because they were forced to keep cattle indoors for longer periods.

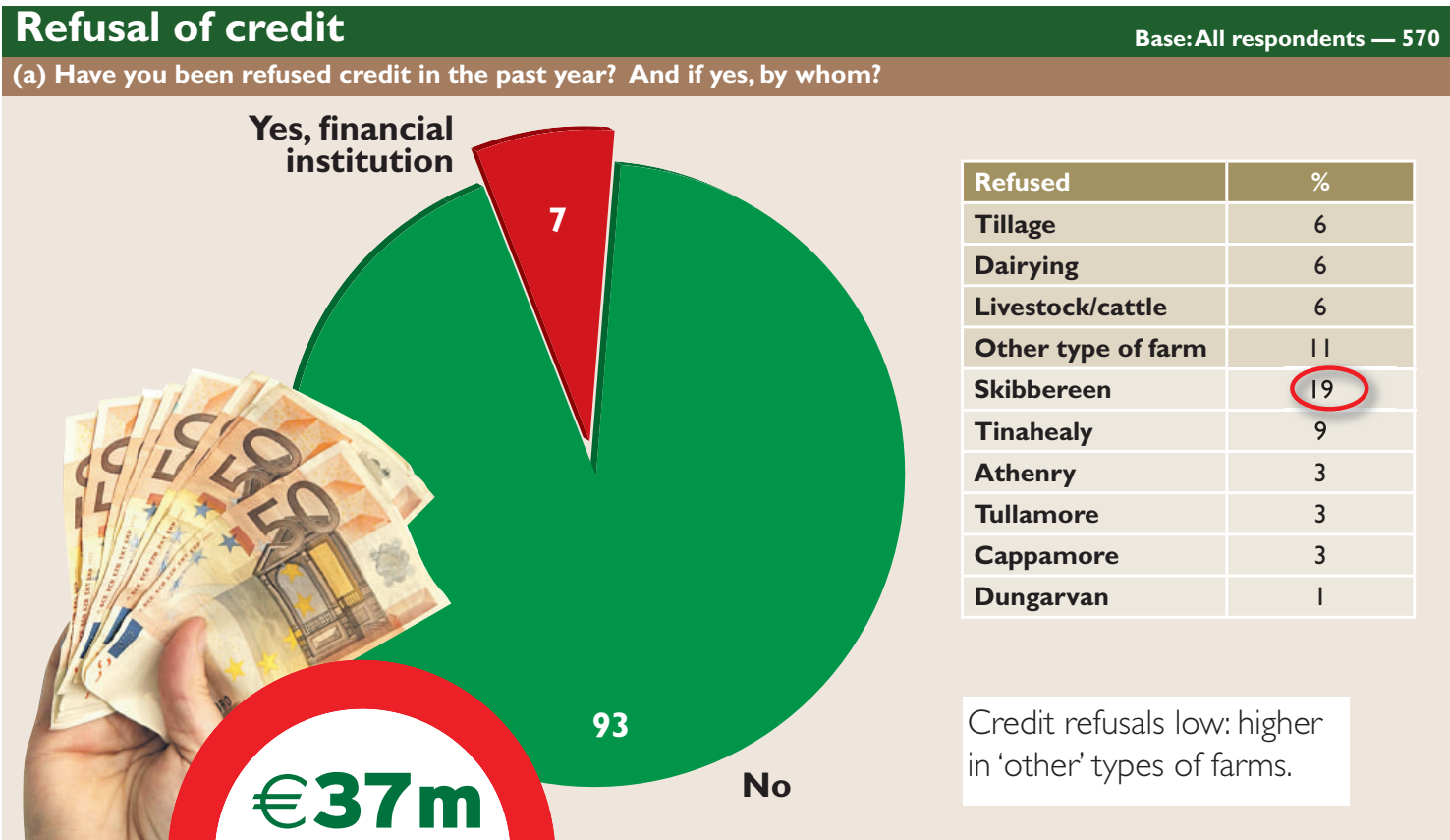
However, the financial institutions will be happy with the responses given by farmers in this survey.

CREDIT REFUSALS WERE JUST 6% AMONG TILLAGE, DAIRYING AND LIVESTOCK FARMERS, RISING TO 11% FOR OTHER TYPES OF FARMING

However, there was a blip in Skibbereen, where there was a 19% refusal rate, and respondents said it was financial institutions that refused them credit (rather than co-ops, agri-merchants, and others).

That compared with 9% in Tinahealy, 3% in Athenry, Tullamore and Cappamore, and just 1% in Dungarvan.

At the height of the fodder crisis last May,



agriculture minister Simon Coveney urged financially-stretched farmers to avail of low interest bank loans, and credit facilities available in co-ops.

The big banks had set aside multi-

million euro funds for farmers. But farmers, for whatever reason, do not feel comfortable going to banks, which is a problem in itself, observed Mr Coveney. But he also noted that about half the farms in Ireland do not have any debt at all.

Up to May, the co-ops had extended increased credit to farmers to help them

through the fodder crisis, with Glanbia making an extra €15m of credit available, and Dairygold enabling an extra €10m to €12m, for example.

Primary agriculture has become by far the biggest small-to-medium enterprise for new bank borrowing. It averages €37m per month, about one third of all new SME lending.

47% of farmers have off-farm income

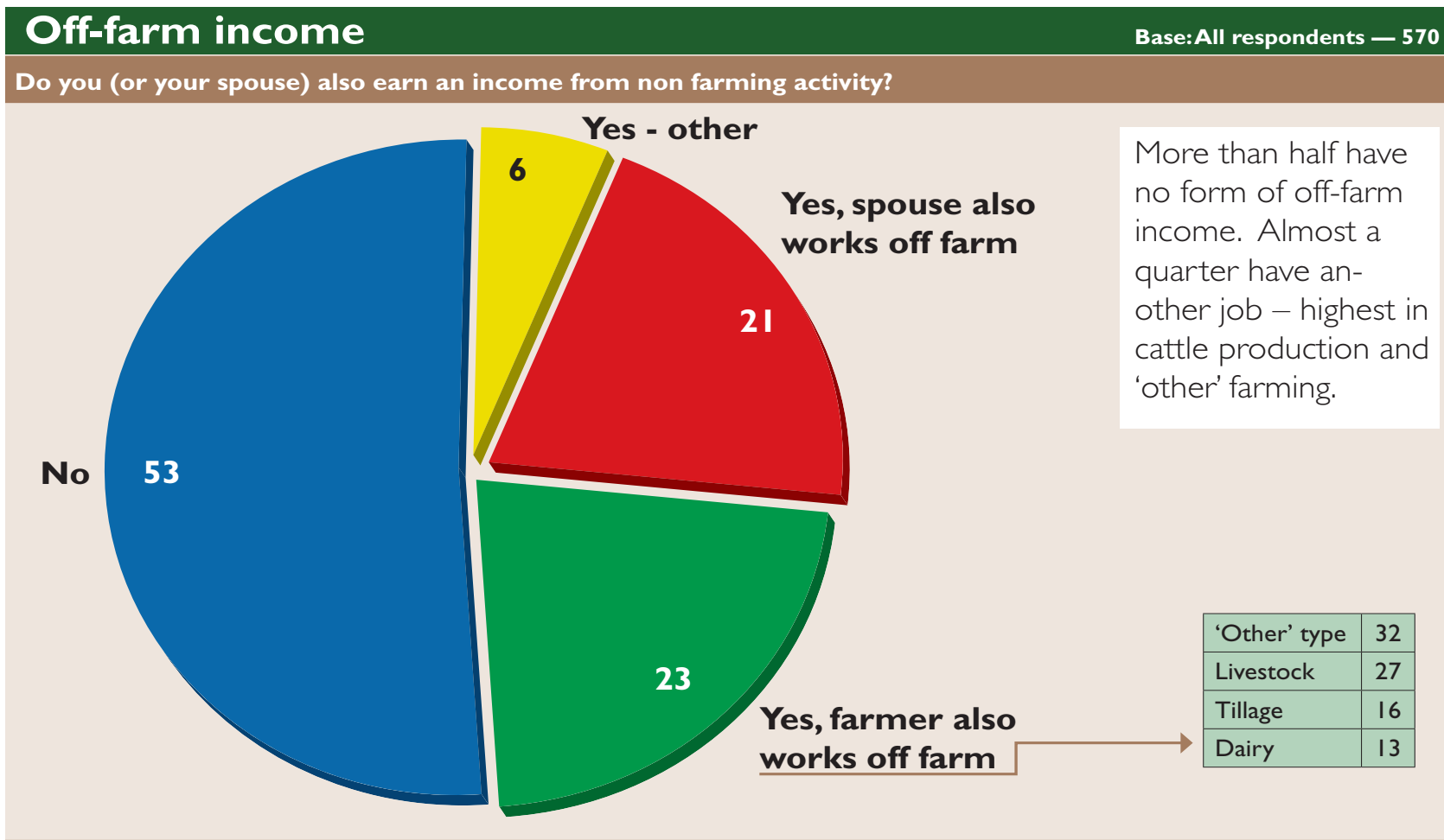
Larry Ryan

Farmers have evolved, and almost half (47%) now have off-farm household income, with a quarter of farmers themselves having a second job off the farm, as do a fifth of farm spouses.

Those farmers that have a second job are more likely to have a smaller holding. Recent censuses also illustrated that it is smaller land holders that are gradually exiting from farming.

The greatest proportion of income for 61% of respondents comes from farming itself, and just a fifth indicate that they primarily survive on their off-farm work or investments. The Single Farm Payment is particularly important, regarded as a source of income by 83% of farmers and the primary or secondary source by 70%. Thus, many farmers are dependent upon support payments, notwithstanding the relative prosperity of the sector, and half still choose to maintain another occupation off the farm, maybe by choice, but certainly to boost the family finances.

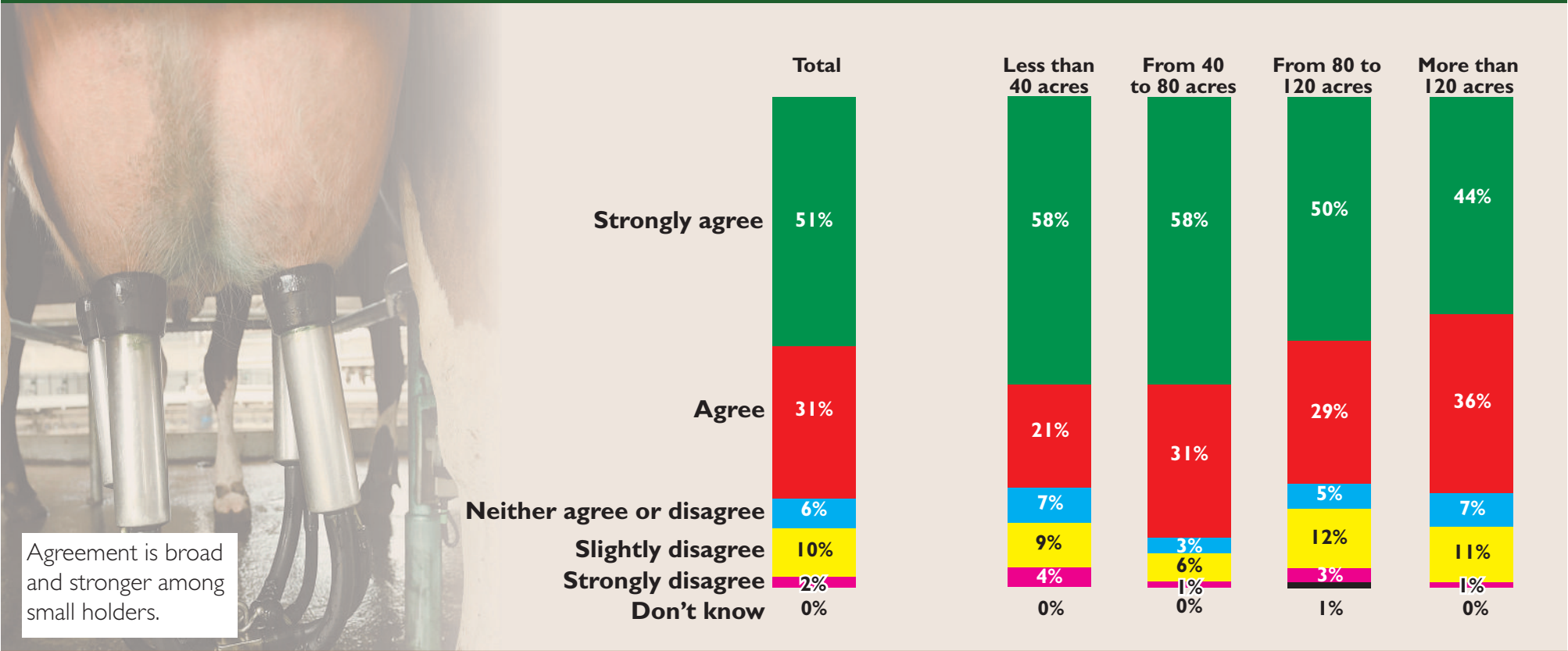
Larry Ryan, director, Behaviour & Attitudes



More than half have no form of off-farm income. Almost a quarter have another job – highest in cattle production and 'other' farming.

Co-ops are still at the heart of rural communities

Base: All respondents — 570



BETTER TOGETHER

Co-operatives are still at the heart of rural Ireland, more than a century after the movement was founded to give farmers increased control over their business.

A substantial 82% of farmers questioned for the survey strongly (51%) or slightly (31%) agreed with the assertion that co-ops are still at the heart of the rural community.

Those with holdings from 40 to 80 acres were strongest in their support with 58% strongly agreeing, 31% slightly agreeing.

Those in the 80-120 acres category gave 50% strong approval, while those with over 120 acres were 44% in strong support.

Farmers of that size would be more likely to form their own buying and selling groups, but 36% of them also slightly agree.

The results shows the strength of the agri-societies and the continuing role they are playing in rural Ireland.



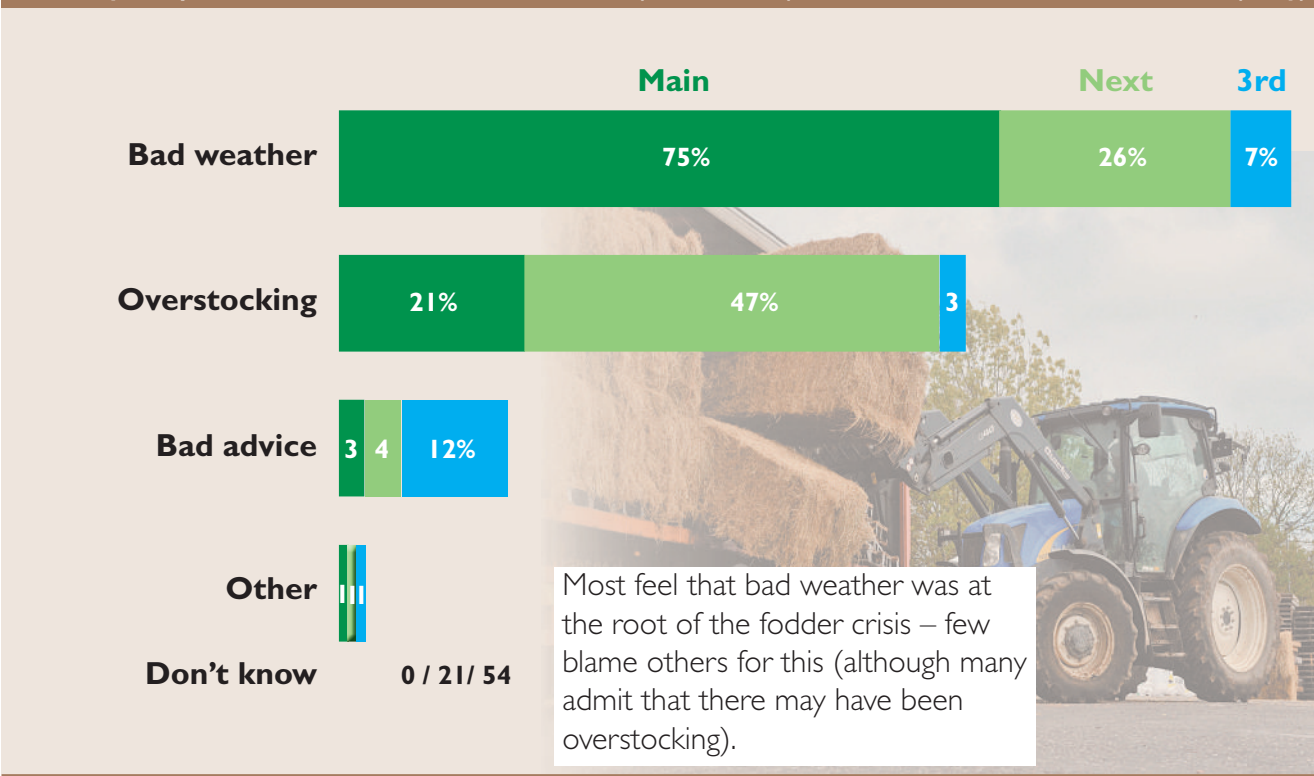
82%

The number who believe the co-op is still the heart of the rural community

Fodder crisis cause

Base: All respondents — 570

What, in your opinion, caused the 2012/2013 fodder crisis (rank in order): What was the main cause? The second (if any)



Teagasc/consultants come out well in fodder crisis survey

Ray Ryan

Most farmers have blamed the wet weather for the fodder crisis that caused havoc in 2012 and earlier this year, although some admitted overstocking was also a key factor when land was saturated, after rain, and fodder stocks ran out. They were asked to rank the causes of the crisis.

- 1 The main one was the weather for 75%, overstocking for 21%, bad advice for 3%, and “other” reasons for 1%.
- 2 The second was the weather for 26%, overstocking for 47%, bad advice for 4%, and “other” reasons for 1%.
- 3 Those who gave a third cause said 7% weather, 3% overstocking, 12% bad advice, 1% “other” reasons.

That relatively few blamed advisers is good news for Teagasc and consultants. The former has been providing regular updated advice since September of last year. It focused on the best ways of coping with lower than normal levels of fodder and poor quality silage and hay. The fodder crisis is now consigned to the past, with a recent Teagasc assessment finding livestock farmers well-positioned for the coming winter, given prudent management of fodder stocks, including this year’s higher-quality silage and hay, and appropriate supplementation with concentrates.